



Enriching the Quality of Life and Promoting a Sense of Community

PROPOSED 2006 BUDGET



A Message from the Town Manager

This budget summary

provides an overview of the Town of Herndon's proposed operating budget for the fiscal year (FY) 2006, which runs from July 1, 2005 to June 30, 2006.

The total proposed FY 2006 budget, including interfund transfers, is \$37 million, a decrease of 2.2 percent from the FY 2005 adopted budget of \$37.9 million. Recurring expenditures – which include personnel, operations and maintenance, debt service and minor capital totals \$32,998,088, an increase of 6 percent over FY 2005 recurring expenses.

As throughout the metropolitan Washington area, Herndon's homeowners are facing large increases in their real estate assessments, which climbed an average of 14 percent over calendar years 2002 through 2004 to an average of 27 percent this year. The FY 2006 budget recommends a 1 cent reduction in the real estate tax rate from \$0.28 per \$100 of assessed value to \$0.27. This is a conservative approach that offers some tax relief to homeowners without sacrificing the level of service provided to our residents or jeopardizing the Town's excellent AA+ credit rating and ability to fund major capital projects.

Budgets are all about setting priorities and establishing expectations. Most priorities and expectations have already been established by previous budgets and the Town's ongoing capital improvement planning process. With the annual budget, it comes down to keeping promises through execution.

This budget makes good on a significant number of commitments made to the citizens of Herndon by its town government. FY 2006 will be a landmark year for construction of several major capital improvements that have been in the pipeline for years. Construction

will begin on storm drainage improvements along Monroe and Station Streets. This is the first of several improvements to alleviate minor flooding in residential neighborhoods near the downtown. Also, design will begin in FY 2006 on storm drainage improvements along Madison Street and Park Avenue.

Construction will begin on the new administrative office and maintenance buildings at Chestnut Grove Cemetery. This project will allow cemetery administrative operations to relocate from Town Hall to the cemetery, which will significantly enhance service to families as well as provide for the removal of the existing, inadequate maintenance sheds. The cemetery is a stand-alone enterprise fund that is supported through user fees, not real estate taxes.

In 2003 and 2004, the Commonwealth Transportation Board approved \$420,000 in federal Transportation Enhancement funds with another \$250,000 anticipated in 2006 for implementation of a three-phase project to improve the streetscape in the downtown. Engineering and construction of circulation and streetscape improvements around Town Hall Square will begin in FY 2006. These improvements will strengthen opportunities to attract development in the downtown and continue to make the downtown an inviting destination for residents and visitors alike.

Additionally, several major projects funded in previous years will be well underway in FY 2006, including the new addition to the Herndon Community Center and Phase 1 master plan improvements to the Herndon Centennial Golf Course. Design of the Runnymede Park Nature Center will resume this spring. The Town has received grants to fund a portion of the Nature Center construction, which is anticipated to begin in late 2006.

The budget supports the Town's commitment

to enhancing customer service through technology and recommends funding web-based software applications such as customer relationship management technology and online bill payment and other e-government services.

Addressing quality of life issues in residential neighborhoods will continue to be a priority in FY 2006. A second Associate Community Inspector position in the Department of Community Development is recommended to strengthen efforts to reduce residential overcrowding.

Other new proposed positions include a part-time Parking Enforcement Official, a Building Maintenance Coordinator, Senior Accounting Technician, and Golf Operations Assistant. More detailed descriptions of new positions can be found in the Summary by Department section on pages 6 and 7.

Although this budget supports an ambitious capital improvement construction period, many more projects that are also of great interest to the Town's citizens have been postponed due to resource limitations – both in funding and the manpower necessary to undertake more projects.

Continued citizen input and deliberations by the Mayor and Town Council on this budget will set the priorities, expectations and commitments for the future. Citizens will have an opportunity to comment on the proposed budget at public hearings on Tuesday, April 12 and Tuesday, April 26. The hearings are held at 7:30 p.m. in the Herndon Council Chambers located at 765 Lynn Street in historic downtown. Your input is welcomed and I hope you will take this opportunity to participate in this very important local government process.

Steve Owen
Town Manager

Budget Terms & What They Mean

Budget

The Town's annual fiscal planning document that outlines anticipated revenues and expenditures. It includes departmental purpose statements and desired outcomes. Once adopted by the Town Council, the budget becomes a legal document.

Fiscal Year (FY)

In accordance with the Code of Virginia, the Town's fiscal year runs from July 1 to June 30 of each year.

General Fund

The primary operating fund of the Town that receives most of the revenue derived by the Town from local sources, including real estate, other local taxes, licenses, permits, and privilege fees. Other sources of revenue to the General Fund include reimbursement of Town expenses shared by the Commonwealth of Virginia such as highway maintenance and police services. Revenue may also be received by this fund from federal, state and local grant programs. Major General Fund expenditures include the costs of general Town government (administration, police, community development, public works, parks and recreation, etc.), transfers to other funds and debt service payments.

Enterprise Fund

The Town has four enterprise funds: Water and Sewer Fund, Golf Course Fund, Chestnut Grove Cemetery Fund, and the Downtown Parking Enterprise Fund. Expenditures account for the operation, maintenance and construction of these facilities. Revenues from these funds consist primarily of user fees charged for services.

General Fund Undesignated Fund Balance

The undesignated portion of the General Fund fund balance that may be available to meet unplanned or unforeseen contingencies and working capital requirements.

Capital Improvement

A major expenditure of public funds – beyond maintenance and operating costs – for the acquisition or construction of a needed facility. Capital improvements include such items as utility systems, streets, sidewalks, public buildings, and land acquisition.

PUBLIC HEARINGS FOR COMMENTS

Budget and Capital Improvement Program

April 12, 2005—7:30 p.m.
April 26, 2005—7:30 p.m.

Citizens will have an opportunity to comment on the proposed budget at public hearings on Tuesday, April 12 and Tuesday, April 26. The hearings are held at 7:30 p.m. in the Herndon Council Chambers located at 765 Lynn Street.

The Budget at a Glance

Following are highlights of the proposed FY 2006 budget. Copies of the proposed FY 2006 budget document will be available for review beginning April 1, 2005 in the Department of Human Resources located at the Herndon Municipal Center, 777 Lynn Street, Suite 110.

Total Budget Expenditures:

Totals \$37,043,376 for all funds (General Fund, Water and Sewer Fund, Golf Course Fund, Chestnut Grove Cemetery Fund, and Downtown Parking Enterprise Fund). The total reflects a decrease of 2.2 percent below the adopted FY 2005 budget of \$37,872,458.

Recurring Budget Expenditures:

Includes personnel, operations and maintenance, debt service and minor capital and totals \$32,998,088, an increase of 6 percent over FY 2005 recurring expenses.

General Fund Expenditures:

Totals \$28,905,933 which reflects a decrease of \$1,507,256 or 5 percent less than the FY 2005 adopted budget.

Real Estate Tax:

Decreases \$0.01 from \$0.28 to \$0.27 per \$100 of assessed value.

One Penny on the Real Estate Tax Rate:

Equivalent to approximately \$332,390 in tax revenues (includes assessed value of public service corporations and real property assessments).

Average Residential Property Value:

Projected at \$315,654.

Average Residential Real Estate Tax Bill:

\$852.27 per year based on average \$0.27 per \$100 of assessed value.

Personal Property Tax Rate:

Remains at \$0.00 per \$100 assessed value.

Meals Tax:

Remains at the current rate of 1.5 percent.

Mobile Local Telecommunications Service (Cell Phone) Tax:

Remains at a rate of 10 percent on the first \$30.00 billed monthly.

Cigarette Tax:

Remains at \$0.35 per pack.

Business, Professional and Occupational License Tax:

All classifications and thresholds will remain at the current amounts.

Motor Vehicle License Fee:

\$20.00 for private passenger and other vehicles weighing less than 4,000 lbs; \$25.00 for vehicles weighing in excess of 4,000 lbs.

Consumer Utility Tax:

Tax based on the purchase of utility services within the corporate limits of the Town. The amount of the tax for residential consumers contains a monthly cap of \$3.00 per utility.

Sewer Service Rate: *

Remains at \$3.12 per 1,000 gallons of water consumption.

Sewer Availability Fee: *

Remains at \$4,621 for new, single-family homes.

Sewer Lateral Repair and Replacement Program:

Remains at \$2.00 per year (\$0.50 per quarter).

Recycling Fee:

Remains at \$10.00 per year (\$2.50 per quarter).

Water Service Rate: *

Remains at \$1.92 per 1,000 gallons of water.

Water Availability Fee: *

For new, single-family homes remains at \$2,760.

Personnel:

Total personnel costs for all funds totals \$19,939,628 which includes an average of 4.5 percent pay-for-performance increases. Pay scales will be adjusted 3.07 percent based on the current market index as used by Fairfax County. (However, it is important to note that non-police personnel do not receive this adjustment through a COLA increase. The adjustment must be earned through performance.)

Sworn police personnel will receive a 3.07 percent cost-of-living adjustment, which will be applied as a salary adjustment, and a 5 percent performance increase. A 4 percent pay adjustment to keep parity with Fairfax County is also being studied.

Capital Improvement Program:

Totals \$2,973,600 (all funds).

** Water and sewer rates are currently being studied and may be increased later in the year to meet future water and sewer needs.*

The General Fund

EXPENDITURES

Department	FY 2006	FY 2005
Town Clerk	\$ 551,896	\$ 526,210
Town Administration	2,380,610	2,186,160
Parks & Recreation	3,530,964	3,347,108
Finance	1,082,019	1,000,716
Community Development	1,466,377	1,285,434
Police	6,950,664	6,536,408
Public Works	8,010,006	7,312,095
Town Attorney	387,722	350,643
Interfund Transfers	1,875,000	5,398,000
Debt Service - General Fund	2,670,675	2,470,415
Total Expenditures	\$ 28,905,933	\$ 30,413,189

REVENUES

Sources	FY 2006	FY 2005
General Taxes	\$ 9,402,200	\$ 7,737,100
Other Local Taxes	5,682,820	5,109,860
Permits & Fees	4,196,080	3,954,750
Fines	556,660	467,750
Interest	350,000	350,000
Recreation Programs	2,013,500	1,965,000
Other Government Agencies	4,434,410	4,038,610
Other Sources	1,168,250	5,760,910
Transfer of Funds	1,102,013	1,029,209
Total Revenues	\$ 28,905,933	\$ 30,413,189

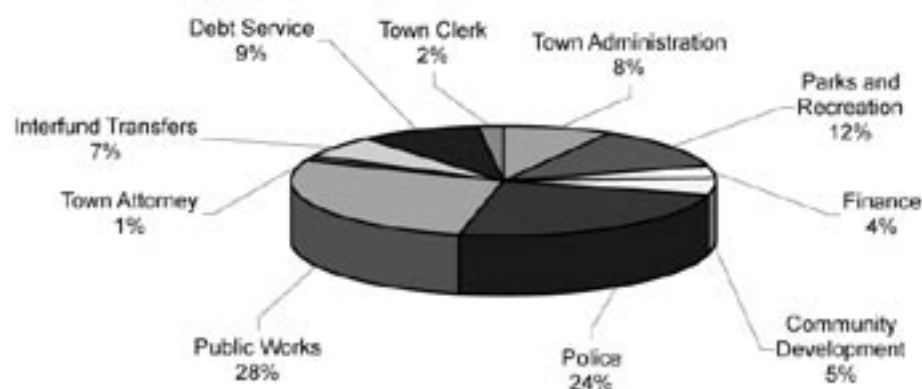
OTHER TOWN FUNDS

Enterprise Funds

Water & Sewer Fund	\$ 5,959,136	\$ 5,282,159
Chestnut Grove Cemetery Fund	489,317	660,317
Golf Course Fund	1,452,050	1,472,444
Downtown Parking Enterprise Fund	236,940	44,349
Total Revenues/Expenditures — All Funds	\$ 8,137,443	\$ 7,459,269

The General Fund

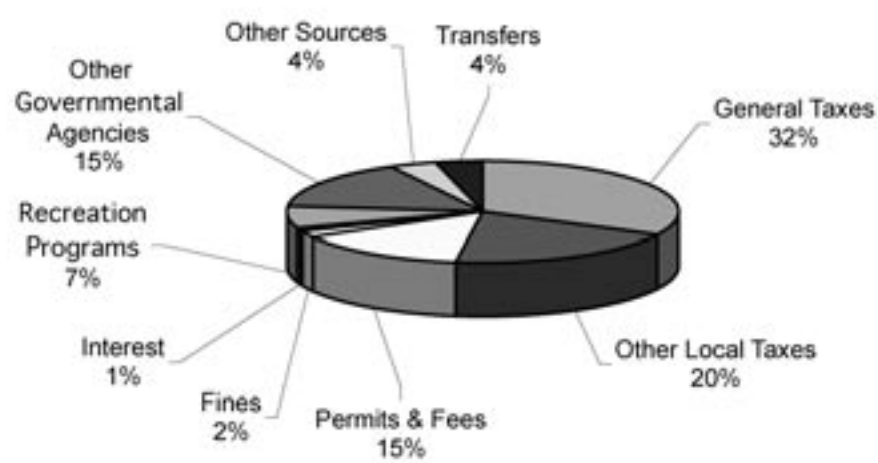
EXPENDITURES BY DEPARTMENT GENERAL FUND (FY 2006)



Approximately 52 percent of the proposed General Fund expenditures are budgeted to provide Department of Public Works and Police Department services to the general population and to maintain the extensive infrastructure of the Town. Proposed expenditures for the Department of Parks and Recreation account for 12 percent of proposed FY 2006 General Fund expenditures. Interfund transfers, totaling \$1,875,000, fund the FY 2006 portion of the Town’s six-year Capital Improvement Program. This amount accounts for approximately 7 percent of proposed FY 2006 General Fund expenditures.



REVENUES BY SOURCE GENERAL FUND (FY 2006)



Projected FY 2006 revenues include \$735,913 of General Fund undesignated, unreserved fund balance for financing the General Fund portion of capital improvement costs. Other sources to be dedicated to capital improvement projects are bond proceeds, capital lease purchase agreements to acquire replacement vehicles, grants, and watershed pro rata share funds. The FY 2006 projected revenue from consumer-related taxes, permits and fees is \$9,920,100, an increase of 9.4 percent over the original projections for FY 2005.

Budget Summary by Department

Office of the Town Clerk

Citizens may contact the Town Clerk’s office to schedule an appointment with the Mayor or to receive information about upcoming Town Council meetings. Council minutes from 1934 to the present, and meeting agendas from May 2003 to the present, are available on the Town’s website. Upcoming agendas are posted on the Town’s website on Friday afternoons prior to the regularly scheduled Tuesday meetings.

A master community calendar is maintained in the Town Clerk’s office to assist community organizations when planning events in determining whether similar events are scheduled on the same date that could draw from the same audience. Organizations are encouraged to contact the Town Clerk’s office to add an event to the calendar. Calendar updates are provided upon request.

Expenditures:	
Total Town Clerk:	\$ 551,896

Town Administration

Town Administration consists of the Town Manager’s Office, Human Resources, Information Technology, Neighborhood Resources, and Public Information. These operations provide a variety of services, including: managing and preparing the annual budget; evaluating all Town operations to ensure maximum innovation, efficiency and economy; promoting continuous organizational improvement through varied employee training opportunities; developing and managing the Town’s information technology and telecommunications; and informing citizens and the media of Town programs.

The Neighborhood Resource Center provides maintenance workshops. It will continue to coordinate the activities of the Herndon Community Association Coalition, an umbrella group designed to strengthen community associations and provide input on Town policies affecting neighborhoods.

The Public Information Office provides support for tourism initiatives. Funding for Promote Herndon projects has been provided by a grant from the Town to the Herndon Dulles Visitor’s Center. It is proposed that instead of a grant to the Herndon Dulles Visitor’s Center, funding for the development of promotional materials become part of the Public Information budget in FY 2006.

Proposed funding for Information Technology provides for enhanced delivery of web-based customer services, including customer relationship management and e-government software applications, as well as financial applications that lay the foundation for accepting payments online.

Human Resources will continue developing and implementing a comprehensive workforce planning and career development program. This process includes identifying competency gaps and training needs.

Expenditures:	
Town Management:	\$ 309,693
Human Resources:	474,787
Information Technology:	824,923
Neighborhood Resources:	586,607
Public Information:	<u>184,600</u>
Total:	\$2,380,610

Community Development

The Department of Community Development provides complete municipal planning activities, including comprehensive planning, transportation planning, community facilities planning, downtown redevelopment, zoning administration and enforcement, subdivision plan administration, architectural review, site plan review, urban forestry, and development coordination with neighboring jurisdictions.

The Town’s commitment to preventing and eliminating over occupancy of dwelling units will be further expanded in FY 2006 by the addition of a second full time Associate Community Inspector. The staff of the Zoning Enforcement section continues to improve its efficiency while respecting the rights of Town residents.

The Town Council adopted the Public Private Educational Facilities and Infrastructure Act of 2002, which allows the Town to receive unsolicited development proposals. Community Development staff will continue to coordinate this process that will facilitate development of structured parking, the proposed cultural arts center and new retail space in the downtown.

Expenditures:	
Total Community Development:	\$1,466,377

Herndon Police

The Herndon Police Department is a Virginia and nationally accredited law enforcement agency consisting of 55 sworn officers and 17 civilian employees. The department consists of the Office of the Chief of Police, Field Operations and Support Services. The Office of the Chief of Police consists of the Chief, the Chief’s administrative staff and the Internal Affairs function and is responsible for the overall operation of the agency. The Field Operations Division provides Town-wide community oriented policing services, which include patrol, traffic control and enforcement, and K-9 patrol. The Support Services Division supports the activities of the Field Operations Division.

The new police facility is scheduled to be completed in the summer of 2005. The building will provide the space to house all components of the Herndon Police Department in one centralized location.

A part-time Parking Enforcement Official is proposed in FY 2006 to handle parking violations and complaints. In partnership with the community, the Herndon Police will continue to work with the community to improve the safety and quality of the Town.

Expenditures:	
Field Operations:	\$4,588,682
Support Services:	<u>2,361,982</u>
Total:	\$6,950,664

Town Attorney

The Town Attorney provides legal services to Town officials and staff, supports the Town Council in developing the legislative program and recommends ordinance changes to the Town Code. The Town Attorney supports and carries out legal actions to enforce building code, occupancy, home based business, and other zoning standards to improve and maintain neighborhood quality.

Expenditures:	
Total Town Attorney:	\$387,722



Parks & Recreation

The Parks and Recreation Department encompasses five areas: administration, recreation programs, Herndon Community Center operations, aquatics programs, and park operations and development. It operates the Community Center, Industrial Strength Theatre and the Bready Park Indoor Tennis Center and also oversees management of the Chestnut Grove Cemetery, a stand-alone enterprise fund.

The Phase IV expansion of the Herndon Community Center is expected to be completed in the summer of 2006. The expansion will provide for improved access, parking, security, and program space to encompass the multipurpose space, game room, fitness room, class space, lounge, teen areas, and administrative offices.

Other capital projects involving Parks and Recreation include planning for the Runnymede Park Nature Center, opening of the Sugarland Run Stream Trail between Runnymede Park and the W&OD Trail, and lighting improvements to the parking lots at Bready Park.

Work will continue on improvements to Chestnut Grove Cemetery, including a new garden mausoleum, columbaria, infant interment area, and roadway landscaping. Additionally, construction on new administrative and maintenance buildings will begin in FY 2006.

The FY 2006 budget recommends that the Tennis Center Manager and Recreation Program Assistant positions be upgraded from temporary/seasonal to part-time regular status.

Expenditures:

Administration:	\$ 530,900
Recreation Programs:	1,367,694
Community Center Operations:	714,470
Aquatics Programs & Operations:	681,948
Park Operations & Development:	<u>235,952</u>
Total:	\$3,530,964



Public Works

The Department of Public Works provides a wide range of services, including engineering, capital project management, site plan review, traffic engineering, building inspections, maintenance of Town buildings and grounds, street maintenance, refuse and recycling collection, and water and sewer system maintenance.

In FY 2006, Public Works will be administering several major capital improvement projects, including the Herndon Community Center Phase IV expansion, Chestnut Grove Cemetery improvements, Monroe-S□

design of the Runnymede Park Nature Center. Public Works will also continue implementation of the Neighborhood Improvement Program, a proactive initiative to identify and resolve common property maintenance problems on a neighborhood-by-neighborhood basis.

A□Additionally, one

Utility Maintenance Worker posi□ maintenance.

Expenditures:

Administration:	\$ 708,022
Engineering:	435,284
Program Management:	309,893
Building Inspections:	388,324
Building Maintenance:	1,142,867
Grounds Maintenance:	911,587
Streets Maintenance:	1,249,899
Refuse & Recycling:	1,248,352
General Services Administration:	1,005,492
Traffic Engineering:	406,536
Right-of-Way Inspections:	<u>203,750</u>
Total:	\$8,010,006

Finance

The Departm□

The department provides a variety of services, including revenue collections, tax and utility billing, management of the Town’s annual financial audit, preparation of the Town’s comprehensive annual financial report, investment and debt management, procurement of goods and services, and general accounting.

During FY 2006, the department and staff in Information Technology will be migrating the Town’s current in-house IBM AS/400 hardware and operating software systems as well as the Town’s financial software suite to an outsourced applications service provider (ASP). With this migration, the Town will also be converting to an updated version of its financial systems software. When fully implemented, the updated version and other additional software features will allow citizens to view individual utility and real estate tax accounts online through the Town’s website. Future enhancements currently in the planning stage include an option to pay utility bills and real estate taxes online with a credit card.

A Senior Accounting Technician position is proposed to handle revenue collection and accounting and internal auditing functions as part of a minor reorganization effort.

Expenditures:

Administration:	\$ 451,510
Accounting:	347,815
Revenue:	217,504
Procurement:	<u>65,190</u>
Total:	\$1,082,019

Golf Course

The Herndon Centennial Golf Course continues to be one of the finest municipal courses in the metropolitan Washington area and a leader in the Northern Virginia daily fee market. The golf course is operated as an enterprise fund where user’s fees – not real estate taxes – pay for personnel, operating and capital expenditures. To offer golf course patrons with additional competitive opportunities, a series of professional/amateur events will be coordinated in FY 2006. These events will pair members of the Herndon Centennial Golf Course staff with golfers that are registered members of the handicapping system. Due to the overwhelming popularity of the junior summer program, staff will be adding another junior camp.

Architectural and engineering services for Phase II of the golf course master plan will be completed during FY 2006. Construc□ient maintenance of the course.

Expenditures:

Maintenance:	\$ 764,655
Clubhouse:	521,850
Debt Service:	121,525
Non-Departmental:	<u>44,020</u>
Total:	\$1,452,050



The Enterprise Funds

The Town’s proprietary or “enterprise funds” are operated much like private businesses. The enterprise funds are stand-alone funds (separate from the General Fund) where users’ fees – not real estate taxes – support operational and maintenance expenditures. The Town has four enterprise funds: Water and Sewer, Herndon Centennial Golf Course, Chestnut Grove Cemetery and Downtown Parking. All revenues taken into these funds are designed to improve service delivery and maintain or expand current facilities.

Enterprise Funds – Total Budgets

Water and Sewer Fund	
Personnel	\$ 854,526
Operations and Maintenance	3,494,450
Capital	1,231,000
Non-Departmental	379,160
Total:	\$ 5,959,136

Golf Course Fund	
Personnel	\$ 798,290
Operations and Maintenance	311,615
Capital	176,600
Non-Departmental	44,020
Debt Service	121,525
Total:	\$ 1,452,050

Chestnut Grove Cemetery Fund	
Personnel	\$ 235,792
Operations and Maintenance	89,050
Capital	0
Non-Departmental	44,300
Debt Service	120,175
Total:	\$ 489,317

Downtown Parking Fund
This enterprise fund was established by the Town Council in October 1994 to implement the Downtown Public Shared Parking Program. The recommended FY 2006 Downtown Parking Fund amount of \$236,940 provides for the acquisition, design and construction of one additional surface parking lot for the Downtown Public Shared Parking Program. The new site will accommodate approximately 40-45 new spaces.

Home and Neighborhood Improvement Programs

The FY 2006 budget fully supports the Town’s commitment to maintaining the highest standards for our residential communities. Following are some of the home and neighborhood improvement resources available to citizens:

Building Inspections Office

The building inspections staff can provide valuable advice on home improvement projects and can determine whether a permit is needed for a specific project. Permits are usually required for a new building, additions (bedrooms, bathrooms, basements, etc.), residential projects such as decks, garages, and pools, and electrical and plumbing systems. For more information, call 703-435-6850. Building permit applications can also be downloaded from the Town’s website, www.herndon-va.gov (click on “Town Services” and then “Public Works”).

Home Maintenance Workshops

Take advantage of free Home Maintenance Workshops at the Neighborhood Resource Center. The workshops are held three times each year and cover a variety of topics including, appliances, HVAC (heating and cooling), kitchens, bathrooms, electrical, plumbing, doors and windows, walls and floors, siding, and roofing. Upcoming workshops will be held on Saturday, June 18 at 10:00 am and Saturday, October 15 at 10:00 am. For more information, call the Housing Rehabilitation Specialist at 703-435-3182.

Home Improvement Loans & Homebuyer Counseling

The Housing Rehabilitation Specialist – a 100 percent grant funded staff position – can provide access to loans administered by Fairfax County through the Home Improvement Loan Program. The Housing Rehabilitation Specialist also coordinates free Homebuyer Seminars that offer information on homebuying options, the advantages of homeownership, qualifying and applying for a loan, and how to establish or restore credit. For more information on these programs, call 703-435-3182.

Herndon Community Association Coalition

This is a coalition comprised of community and homeowner’s associations that was created for the purpose of exchanging community ideas and issues of mutual interest in order to strengthen community associations and the neighborhoods they represent. The HCAC is also a forum for providing input on Town policies. For more information, call the Neighborhood Resources Department at 703-435-6800 ext. 2200.

Yard of the Month

The Yard of the Month competition, part of the Cultivating Community Initiative, is a new program established last year that encourages neighborhood beautification and fosters community pride. Both single family homes and townhouses will be recognized in this year’s competition which is already underway. For nomination forms, call 703-435-6800 ext. 2010 or visit the Town’s website at www.herndon-va.gov and click on “What’s New.”

Capital Improvement Program

Capital Projects FY 2006 – 2011

The Capital Improvement Program (CIP) provides a plan for the acquisition, development, construction, enhancement or replacement of public facilities to serve citizens. The CIP is a six-year program for implementing the capital priorities of the Town. As opposed to operations and maintenance, capital projects require major expenditures for items such as public land, structures and utility systems, streets, and purchases of major equipment. Projects or programs requiring a total commitment of less than \$10,000 are generally not included in the CIP.

Within the framework of the Town’s Core Ideology and Envisioned Future, the fiscal year Operating Goals, the Comprehensive Plan, and other adopted policy documents, the annual development of the CIP is driven by citizen input. Town departments continually review needs and requests for services and facilities. The Planning Commission and Town Council typically review early financing and capital projects during the latter part of the year.

The CIP is adopted annually and serves as a fiscal planning document. Town General Fund and Enterprise Fund revenues – supplemented by county, state and federal funding sources, capital leases, and bond proceeds – finance the Town’s capital improvements.

The proposed FY 2006 – 2011 CIP contains 47 separate capital projects (36 General Fund projects and 11 Enterprise Fund projects). The proposed FY 2006 portion of the CIP funds 20 projects. FY 2006 expenditures include: \$2,173,000 from the General Fund, \$399,000 from the Water and Sewer Fund, \$176,600 from the Golf Course Fund and \$225,000 from the Downtown Parking Fund.

The major capital projects are described on the following pages. The Town Council will consider the CIP for adoption in April along with the FY 2006 operating budget. It is important to note that the adoption of the entire FY 2006 – 2011 CIP is an endorsement of future concepts and plans, not an actual commitment of financial resources.

Capital Improvement Program General Fund Major Projects Summary FY 2006-2011 *

Project Title	Estimated Reserves	Budget Year 05-2006	all figures represent dollars in thousands				
			06-2007	07-2008	08-2009	09-2010	10-2011
Downtown Streets Improvement	680	495	0	705	535	410	0
GSA - Vehicles/Equipment	0	298	375	290	400	310	420
Worldgate Drive Repaving	0	254	254	0	0	0	0
Storm Drainage Improvements	430	120	193	214	200	200	35
Buildings - Major Maintenance	24	200	100	230	144	115	175
Municipal Center Security	20	110	25	45	0	0	0
Information Technology	0	309	310	180	627	254	132
TOTAL	1,154	1,786	1,257	1,664	1,906	1,289	762

* List emphasizes new or continuing capital projects for FY 2006. A complete description of all CIP projects is contained in the Town Manager’s Recommended Capital Improvement Program for FY 2006-2011.

MAJOR PUBLIC FACILITIES



Herndon Community Center Addition

Construction will begin this spring on the 12,000 square foot addition to the Herndon Community Center. This expansion will enhance the quality of existing operations by improving the multi-purpose space, game room, fitness room, class space, lounge and teen areas, and administrative offices in its current one level configuration. Design elements also include a plan for a second story, foundation support, and locations for stairwells and elevators for expansion in the future.

Funding in FY 2006 is for the purchase of new equipment for the expanded fitness room, preschool room, game room and multi-purpose room. The expansion of the community center will require additional personnel and maintenance resources that are projected to be offset by newly generated revenues.

FY 2006 Herndon Community Center Addition: \$90,000

TOTAL CIP FY 2006 – 2011: \$180,000

FACILITIES IMPROVEMENT/MAINTENANCE

Buildings – Major Maintenance

FY 2006 funding provides for improvements to the Herndon Municipal Center, including an upgrade to the HVAC system in the computer room, which houses the Town’s computer servers and other vital information technology equipment, replacement of the slate on the portico and the repair of leaks in the Herndon Council Chambers.

FY 2006 Buildings – Major Maintenance: \$200,000
(Existing \$24,000 in reserve funds.)

TOTAL FY 2006 – 2011 CIP: \$988,000

Herndon Municipal Center Security Enhancements

Enhancements to existing building security at the Herndon Municipal Center are slated to begin in FY 2006.

FY 2006 Herndon Municipal Center Security Enhancements: \$110,000
(Existing \$20,000 in reserve funds.)

TOTAL FY 2006 – 2011 CIP: \$200,000



ENVISIONED FUTURE

Herndon is known widely as:

- A community that is safe, pleasant and easy to get around in on foot, by bicycle, by vehicle and by transit, including rail service in the Dulles Corridor. Sidewalks, trails, plazas and promenades interconnect the Town.

- A community that offers a wide variety of high quality recreation opportunities that are attractive to persons of all ages, and particularly youth recreation, cultural and sports activities, in order to advance the ideal of promoting the wholesome, well-rounded development of young citizens.

- A community where respect for and preservation of the natural environment creates a system of public and private open spaces, parks, woodlands, wetlands, stream valleys, and greenways that provide beauty and functionality for the community and opportunities for nature education, and that preserve wildlife habitats and clean water and air for future generations.

- A community with a vital, attractive and pedestrian-friendly downtown that reflects Herndon’s historic roots and provides exciting and convenient opportunities for living, shopping, dining, entertainment, community events, cultural activities, and participation in Town government.

STREET & STORM DRAINAGE IMPROVEMENTS

Downtown Streets Improvement

This project will improve the streetscape in downtown Herndon along Elden, Spring, Lynn, and Monroe Streets. Sidewalks, crosswalks and streetlights are to be improved and Commerical Village Street design standards are to be implemented. The plan was approved by the Town Council in May 1998. Where feasible, utilities are to be undergrounded or relocated in a manner that reduces their visibility. The project will also include realignment of the W&OD Trail crossing at Elden Street to include pedestrian crossing signals.

In 2003 and 2004, the Commonwealth Transportation Board approved \$420,000 in federal Transportation Enhancement Program funds. The approved funds are to be directed towards Phase 1 of a three-phase implementation plan. Phase 1 includes final engineering and construction of circulation and streetscape improvements around Town Hall Square. Phase 2 includes improvements on Elden Street, from Monroe to Center Streets, and \$250,000 in additional Transportation Enhancement Program funds are anticipated for the project. Phase 3 consists of streetscape and minor road improvements on Spring Street (Locust to Elden) and Monroe Street (Pine to Elden).

FY 2006 Downtown Streets Improvement: \$495,000
(Existing \$600,000 in reserve funds and \$250,000 in grant funds.)

TOTAL CIP FY 2006 – 2011: \$3,875,000

Worldgate Drive Repaving

This project encompasses major asphalt resurfacing of Worldgate Drive. Costs include milling and paving as well as traffic signal detector loop replacement, surface striping, pavement marking, and concrete repair or replacement. Funding for half of the project is planned in FY 2006 and the remainder in FY 2007. The repair and repaving work with associated funding will span two fiscal years.

FY 2006 Worldgate Repaving: \$254,000

TOTAL CIP FY 2006 – 2011: \$508,000



Storm Drainage Improvements

Storm drainage improvements are needed to address minor flooding in several neighborhoods primarily located near the downtown area. The proposed funding and objectives are outlined below. The major project in FY 2006 is storm drain improvements on Monroe-Station Streets.

Time Frame	Project	Objective
FY 2006	Monroe – Station Streets	Design & Construct
	Madison Street, Grant to Dranesville	Design
	Park Avenue, Tyler to Grant	Design
	Runnymede Outfall Improvements	Design
FY 2007	Center Street Alley	Design
	Park Avenue, Tyler to Grant	Construct
	Runnymede Outfall Improvements	Construct

FY 2006 Storm Drainage Improvements: \$120,000
(Existing \$430,000 in reserve funds.)

TOTAL CIP FY 2006 – 2011: \$1,392,000

VEHICLES & EQUIPMENT

The program provides for the replacement of older Town vehicles and major equipment on a phased basis in concert with expected useful life. Timely replacement of vehicles and equipment is critical to avoid excessive repair costs, unacceptable down time and unsafe levels of operation. In FY 2006 the following vehicles will be purchased:

- Asphalt paver
- Dump truck
- Batwing mower
- Cargo van
- Two compact pickup trucks

FY 2006 Vehicles & Equipment: \$298,000

FY 2006 – 2011 CIP: \$2,093,000

ENVISIONED FUTURE

- A community that includes, in the downtown, a cultural arts center that provides the space and opportunity for people to come together in the downtown, day and night, to create, share, appreciate, explore and enjoy the arts.
- A community that embraces information systems and communications technology, with full participation by businesses, government, and residents in the development and use of new technology.
- A place where Town and business leaders collaborate on community improvement programs and government operations.
- A community that serves as home to a number of important commercial, non-profit and government organizations.
- A community that citizens are proud to call their hometown, where people go to work and have fun, and where the quality of life and sense of community are evident to all.

Public Hearings for Comments

Budget and Capital Improvement Program
April 12, 2005—7:30 p.m.
April 26, 2005—7:30 p.m.

INFORMATION TECHNOLOGY/TELECOMMUNICATIONS

Protecting the Technology Investment

In FY 2006, efforts will continue to protect the Town’s technology investments through a commitment to end-of-lifecycle replacement of technology systems, disaster recovery and business continuity planning, and security analyses and enhancements.

FY 2006 Protecting the Technology Investment: \$209,000

Enhanced Web-Based Customer Service

Funding provides for the delivery of enhanced, web-based customer services through customer relationship management (CRM) software applications, business process redesign, GIS-based decision support, online payments, and other e-government initiatives.

FY 2006 Web-Based Customer Services: \$100,000

TOTAL FY 2006 INFORMATION TECHNOLOGY/TELECOMMUNICATIONS: \$ 309,000

TOTAL FY 2006 - 2011 CIP: \$1,799,000

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PUBLIC HEARINGS FOR COMMENT

Budget and Capital Improvement Program

April 12, 2005—7:30 p.m.
April 26, 2005—7:30 p.m.

TOWN COUNCIL

Michael L. O'Reilly,
Mayor
Darryl C. Smith,
Vice Mayor
Carol A. Bruce
Dennis D. Husch
Steven D. Mitchell
Ann V. Null
Harlon Reece

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